

Title 16. BUREAU OF ELECTRONIC AND APPLIANCE REPAIR

NOTICE IS HEREBY GIVEN that the Bureau of Electronic and Appliance Repair ("Bureau") is proposing to take the action described in the Informative Digest. Any person interested may present statements or arguments orally or in writing relevant to the action proposed at two hearings to be held on:

SOUTHERN CALIFORNIA

**April 27, 2004
10:00 a.m.
South Coast Air Quality
Management District
21865 E. Copley Drive
Diamond Bar, California 91765**

NORTHERN CALIFORNIA

**April 29, 2004
10:00 a.m.
Department of Consumer Affairs
400 R Street, Hearing Room, Ste 1030
Sacramento, California 95814**

Written comments, including those sent by mail, facsimile, or e-mail to the addresses listed under Contact Person in this Notice, must be received in the Bureau's office not later than 5:00 p.m. on April 29, 2004, or must be received by the Bureau at the hearings. The Bureau, upon its own motion or at the instance of any interested party, may thereafter adopt the proposals substantially as described below or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as contact person and will be mailed to those persons who submit written or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

Authority and Reference: Pursuant to the authority vested by Section 9814 of the Business and Professions Code, and to implement, interpret or make specific Sections 9830.5, 9855.2, and 9855.7 of said Code, the Bureau is considering changes to Division 27 of Title 16 of the California Code of Regulations as follows:

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Business and Professions Code section 9814 authorizes the director to establish and enforce regulations as may be reasonable for the conduct of service dealers

Business and Professions Code section 9855.2 specifies the requirements for a service contract seller.

Adopt 2755. This proposed regulation would define the term "home health care products" for the purposes of general consumer usage and purchases as amended by AB 1553, Chapter 775, Stats. 2004.

Amend 2756. This regulatory amendment would update the revision date on the service contract application. The new application would provide accurate and complete information to potential registrants in order to bring them into compliance with the new law (AB 1553, Chapter 775, Stats. 2004). In addition, the proposed regulations would add as one of the requirements for registration as a service contractor submission of the most recent audited financial statement reflecting a net worth of not less than \$100,000,000 as proof of financial responsibility.

FISCAL IMPACT ESTIMATES

Fiscal Impact on Public Agencies Including Costs or Saving to State Agencies or Costs/Savings in Federal Funding to the State: None

Nondiscretionary Costs/Savings to Local Agencies: None

Local Mandate: None

Cost to Any Local Agency or School District for Which Government Code Section 17561 Requires Reimbursement: None

Business Impact:

The Bureau has made an initial determination that the proposed regulatory action would have no significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

There were no studies or relevant data relied upon in making the above determination. The Bureau currently regulates businesses offering service contracts for other products. This amendment provides regulation for service contracts on additional products. The registration fee is \$75 annually, which is not considered a significant economic impact.

Impact on Jobs/New Businesses:

The Bureau has determined that his regulatory proposal will not have any impact on the creation of jobs or new businesses or the elimination of jobs or existing businesses or the expansion of businesses in the State of California.

Cost Impact on Representative Private Person or Business:

The Bureau is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Effect on Housing Costs: None

EFFECT ON SMALL BUSINESS

The Bureau has determined that the proposed regulations would not affect small businesses. The type of regulation is already in place for other retailers (small and large) which provides a more level playing field by placing the same requirements on a larger population of retailers. This is considered a reasonable fee and cost of doing business to offer an adequate amount of consumer protection.

CONSIDERATION OF ALTERNATIVES

The Bureau must determine that no reasonable alternative it considered or that has otherwise been adopted and brought to its attention would either be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons that the proposal described in this Notice.

Any interested person may present statements or arguments orally or in writing relevant to the above determinations at the above-mentioned hearings.

INITIAL STATEMENT OF REASONS AND INFORMATION

The Bureau has prepared an initial statement of the reasons for the proposed action and has available all the information upon which the proposal is based.

TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations and of the initial statement of reasons, and all of the information upon which the proposal is based, may be obtained at the hearings or prior to the hearings upon request from the Bureau of Electronic and Appliance Repair at 3485 Orange Grove Avenue, North Highlands, California 95660.

AVAILABILITY AND LOCATION OF THE FINAL STATEMENT OF REASONS AND RULEMAKING FILE

All the information upon which the proposed regulations are based is contained in the rulemaking file which is available for public inspection by contacting the person named below.

You may obtain a copy of the final statement of reasons once it has been prepared, by making a written request to the contact person named below or by accessing the web site listed below.

CONTACT PERSON

Inquires or comments concerning the proposed rulemaking action may be addressed to:

Linda Shaw
Bureau of Electronic and Appliance Repair
3485 Orange Grove Avenue
North Highlands, California 95660
(916) 574-2069
FAX (916) 574-2120
Linda_Shaw@dca.ca.gov

The back-up contact person is:

Karen Skelton
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3485 Orange Grove Avenue
North Highlands, California 95660
(916) 574-2069
FAX (916) 574-2120
Karen_Skelton@dca.ca.gov

Web Site Access: Materials regarding this proposal can be found at www.bear.ca.gov.